

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6957

BILL NUMBER: HB 2064

DATE PREPARED: Jan 3, 2001

BILL AMENDED:

SUBJECT: Police powers for school district security forces.

FISCAL ANALYST: David Hoppmann

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that the governing body of a school corporation may establish a school corporation police force that is staffed with police officers who have full police powers and whose survivors are eligible for death benefits. It requires school corporation police officers to have Law Enforcement Academy education and basic training and to participate in local continuing education programs.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill could minimally affect the Special Death Benefit Fund (the Fund), which initially received revenues from \$5 bail bond fees until December 31, 1998. (The statutory requirement for fee collections of the Fund expired on that date.) The Fund provides a death benefit of \$150,000 for each public safety officer who dies in the line of duty.

The Fund balance as of June 30, 2000 was \$ 4.4 million. Over the last ten years, the average number of claims on this fund was 1.9 (with an average payout of 1.9 X \$150,000 or \$285,000 per year). By increasing the possibility of higher average claims, the Fund could exhaust itself in less time than expected (currently, the Fund is expected to remain self-perpetuating for 28 years).

Fluctuations in annual deaths, as well as interest rate changes and investment strategies would affect the life of the Fund. It is not likely that the provisions of this bill would result in a significant increase of claims or administrative cost by the Auditor of State or by the Public Employees Retirement Fund.

Explanation of State Revenues:

Explanation of Local Expenditures: *Salary and Benefit Costs-* School corporations opting to establish a police force would experience an increase in salary and benefit costs including contributions to the Public

Employees Retirement Fund. Typically, a full-time police officer hired by a school corporation receives an average annual salary of approximately \$35,000 with benefits. However, actual costs would vary from school corporation to school corporation, and would depend upon local action.

School corporation budgets receive funding from a combination of the following sources: 1) state support; and 2) local property, excise, and financial institution taxes.

Law Enforcement Academy Training Costs- School corporations would incur no additional cost regarding Law Enforcement Academy training of their officers. Currently, the Law Enforcement Academy accepts individuals only after having been investigated and hired by a law enforcement agency. (This would include a school corporation.) If the officer is mandated by law to receive police powers, the Law Enforcement Academy will provide training at no cost to the law enforcement agency.

The Law Enforcement Academy is funded by the Law Enforcement Training and Academy Building Funds which receive court fee revenues under IC 33-19-7-5, as well as by General Fund appropriations. (The FY 2000 fee distribution to these two funds was \$3.9 million.) In addition, P.L. 273-1999 appropriated, from the State General Fund, \$2.1 million for FY 2000 and \$2.1 million for FY 2001 to the Law Enforcement Academy.

The cost for completing basic law enforcement training at the Academy is approximately \$4,000 for a twelve week course that includes 480 hours of training. School corporations would not be required to pay this cost.

Continuing Education Costs- School corporations would incur no additional cost regarding the continuation of law enforcement training. School corporation officers would be included in existing county, city and town continuing education programs funded by various local fees related to law enforcement.

Explanation of Local Revenues:

State Agencies Affected: Law Enforcement Training Academy; Public Employees Retirement Fund; Auditor of State.

Local Agencies Affected: School Corporations.

Information Sources: Judy Cooper, Law Enforcement Training Academy, (317) 839-5191; Tom Parker, Public Employee Retirement Fund, (317) 233-4146; Dan Bastin, Auditor's Office (317) 232-2309.